

In This Issue:

- 1 Advice from Experts
- 3 Free BSO Tix
- 4 GM CEO Speaks
- 5 Fiorina in Town
- 5 SDM News
- 8 Media Relations
- 10 Movies... "A Scanner Darkly"

We welcome story ideas, photos, suggestions, and comments from students, faculty, and staff.

Please send items to:
Sarah Foote, Editor,
news@sloan.mit.edu.

Deadline: 12 p.m.
Thursday for publication
the following week.



Schoolwide News

Living, Working, or Studying in Another Country— Advice from the Experts

By Sarah Foote

(Second in a two-part series)

News@MIT Sloan asked MIT Sloan students from around the world what you can expect when you visit their country, and in return, what they learned about living, working, and studying in the United States.

Lydur Thor Thorgeirsson, MBA '07

Where are you originally from?
Iceland.

How long have been in the United States?

I've been in the United States for just over one year now.

What advice would you give someone who is going to work or live in your country?

Don't expect much formality in meetings, adherence to hierarchy or emphasis on processes. Everyone is focusing on the end results and are willing to try new methods and listen to your ideas. You'll work hard, but on the flip side, you'll have several weeks of vacation.

What advice would you give someone who is going to school or to study for a



Lydur Thor Thorgeirsson

period of time in your country?

It will be fairly inexpensive because of government subsidies. Expect standard lectures across the board. Presentations and case classes are few and far between. The bulk of Icelandic students like to emphasize extracurricular activities and then cram before finals.

If someone was to visit your country what three things should they see/visit before they leave?

The Blue Lagoon. A geothermal power plant uses ultra-hot seawater from the bowels of earth for production of hot-water and electricity. The pool of excess water is so rich in minerals it has become one of Iceland's biggest tourist attractions.

Downtown Reykjavik on a weekend night. The nightlife in Reykjavik is ranked among the best in the world and celebrities frequently visit the Island because of it.

Hvannadalshnjukur is Iceland's highest peak located on the largest glacier in Europe (2,111 meters/6,900 feet over sea-level). Walking the glacier takes about six

Continued on page 2

hours. Get a good guide and arrive in spring before the snow melts to avoid big crevasses.

What advice do you wish someone had given to you about living in the United States?

Expect to write and mail lots and lots of checks (everything is done online in Iceland). The only eatable cheese in the continental U.S. is called Monterrey Jack Mild from Farm Valley and can only be found in one store in the Cambridge area. Get a car quickly or sign a ZipCar agreement so that you can go to Costco. Also beware that childcare in the U.S. is prohibitively expensive.

What advice do you wish someone had given you about studying/attending school in the United States?

Jump right in and participate in class. That's the best way you'll build up confidence in speaking the language. Try to meet as many people as possible and start building friendships right away.

What advice do you wish someone had given you about working in the United States?

You'll quickly realize that this is the country where Dilbert is drawn. That being said, you'll also quickly realize why U.S. corporations are so successful globally. Finally, take Akula's law class to prepare you for work in the U.S. Wherever you're from you'll be amazed to learn about the U.S. legal system and how that will dramatically affect some of the decisions you might face.

Tsahala David, SF '07

Where are you originally from?

Israel

How long have been in the United States?

Four months.

What advice would you give someone who is going to work or live in your country?

Get used to a very high tempo in a very spontaneous environment. Subtleties don't work – be direct about what you want or object to. Expect people to be very emotional about things and that covers the entire array from anger to happiness.

What advice would you give someone who is going to school or to study for a period

of time in your country?

Expect little to no privacy. Israelis are very warm people and specifically love Americans. You will find your schoolmates will go out of their way to help you and be shameless about asking you questions. If someone invites you to dinner at his house after knowing you for two hours don't be surprised. It is genuine friendship. People bond very fast very tightly.

If someone was to visit your country what three things should they see/visit before they leave?

Jerusalem – The capital city of Israel. A place with a history of thousands of years. The center for three religions: Christianity, Islam, and Judaism. A fascinating walk back in time to another era.

Dead Sea – A natural phenomena considered one of the eight wonders of the world. The minerals of the sea have therapeutic powers due to unique and high concentration of minerals in the water. The sensation of bathing in the salty water is unequalled.

Tel-Aviv – The city of beaches, bikinis, culture, night life, and fun!

What advice do you wish someone had given to you about living in the United States?

That life here is far easier and more comfortable than in Israel. That service



Tsahala David

people here are far less efficient than in Israel, so be patient and plan a back-up because whatever they promised – is not going to happen.

What advice do you wish someone had given you about studying/attending school



Aparna Chennapragada

Continued from page 2

in the United States?

That when students go out for beers you don't actually have to drink beer. As a person who dislikes alcohol, I kind of avoided the beer-meetings assuming everyone gets a bit drunk and makes jokes I probably can't understand. Apparently that is not the case. And going out for beers here is the equivalent to going out for a coffee in Israel.

What advice do you wish someone had given you about working in the United States?

How do you land the job of your dreams?

Aparna Chennapragada, System Design and Management Fellow '06

Where are you originally from?

Hyderabad, South India

How long have been in the United States?

Nine years.

What advice would you give someone who is going to work or live in your country?

India is a wonderful country, caught between its promising potential and staggering poverty. Even its chaos is colorful. (to my biased eyes, admittedly)

Make a conscious effort to remove the western lens and absorb the uniqueness of the place instead of attempting to map it to familiar categories.

The size of the population can be shocking to people who have lived in far less populous countries but it can be quite an interesting

experience to find yourself in a sea of humanity.

On a practical note, if you have low immunity, watch what you eat and drink!

What advice would you give someone who is going to school or to study for a period of time in your country?

Work with people across departments and fields. Step outside the bubble of the school or university. Learn a new language (or two).

If someone was to visit your country what three things should they see/visit before they leave?

Ancient temples in South India (architectural marvels with rich history).

Tour around Hyderabad (My hometown with its friendly people and laid-back environment).

The Taj Mahal (although I myself haven't seen it yet).

What advice do you wish someone had given to you about living in the United States?

I wish I were told to travel more and explore America beyond its touristy cities and iconic landmarks.

What advice do you wish someone had given you about studying/attending school in the United States?

Get involved with the community, not only within the school but the extended community in the town/city.

Editor's note: In last week's MBA Town Meeting summary; Anjali Sastry was incorrectly listed as the professor for Sustainability Lab (S-Lab). Rick Locke is the professor. And Ilyse Cody, MBA '07, was left off the list of Siebel Scholar winners. Apologies.

Boston Symphony Orchestra Tickets for Free

BSO College Cards for 2006-07 are available for pick up at the BSO Box Office

The Council for the Arts at MIT offers MIT students the opportunity to attend up to 20 BSO performances during the season for no charge with the BSO College Card. MIT students only need to show their MIT Student IDs at the BSO Box Office (301 Massachusetts Ave.) to pick up a BSO College Card. The Boston Symphony Orchestra (BSO) is one of the leading orchestras in the United States, performing in Boston's Symphony Hall, one of the world's finest concert halls. Each BSO College Card offers a seat to up to 20 concerts and open rehearsals during the upcoming BSO season. For the schedule of performances that (might) be included visit <http://www.bso.org/series/seriesDetail.jhtml?id=2900002>.

Beginning at 9:30 a.m. on the day of each concert offered through the card, student cardholders will be able to call a special designated phone line listed on the card 617-638-9478 to confirm that tickets are available for that day's concert. Tickets will be available for pickup—one per cardholder, student ID required—at the Symphony Hall Box Office from 10:00 a.m.-6:00 p.m. on concert days. Tickets are available on a first-come first-served basis, but a minimum of 100 tickets will be held for each BSO College Card concert. Only one card per MIT student ID will be issued.

GM CEO Speaks at MIT Sloan

Preferring not to give a speech, General Motors CEO Richard Wagoner instead held a question and answer session led by MIT Sloan Dean Emeritus Glen Urban in front of a standing room only crowd last Wednesday in E51-345.

Wagoner was elected chairman and CEO of GM in 2003. He began his career as an analyst in New York City, the one place he said he didn't want to live. He later was promoted to treasurer of GM in Brazil. He served as executive vice president and CFO of finance from 1992 to 1994 and was in charge of worldwide purchasing from 1993 to 1994. Although he never planned or thought he would become CEO, this is where Wagoner finds himself today, in charge of 325,000 employees and \$50 billion worth of product.

Advising students to keep an open mind when it comes to their work environment, Wagoner also said that students should pick a field that they enjoy, "because the fun is in the journey as opposed to the destination."

When asked if his aggressive recovery plan for GM was working or not, Wagoner said, "The auto industry is undergoing a lot of change, there are new national markets, new trade bearers, and higher expectations. There are lots of opportunities and challenges for us. Like China and India. These are the good things. The harder things are the competitive issues and they can be really significant." Wagoner went on to tell the audience that GM has over 400,000 retirees that they provide pensions and benefits for. Most of the healthcare expenses for these retirees are paid for by the company, whereas GM's competitors abroad do not have to pay for healthcare costs because the government does.



When Urban asked Wagoner about Toyota's goal of being the number one automobile distributor in the world, Wagoner replied that being number one did matter to GM, but the company wanted to continue to grow in the right places. He cited China with sales between 850,000- 900,000 as a country that GM wanted to grow in. "China is a good test of whether you can compete or not. When we started we sold one product out of one assembly plant, in volumes of 30,000-40,000 cars. This year we will sell four or five different brands, have six or seven assembly plants, power train facilities, a very big and sophisticated technology development center, and we'll sell 875,000-900,000 units. Bringing us from a one percent player to a 12 percent player," Wagoner said.

Wagoner then discussed design and product innovation saying that brand images were built over a fairly long period of time. "The good news is that if you have strong brand image and you have a couple of bad years you can bet that tradition will carry you through. The bad news is that if you have not done a good job, you wear it for a long time."

Wagoner briefly discussed hybrid cars, noting that GM had purposely waited to enter that market, but that a Saturn hybrid was now available. In the early 1990s GM created an electric vehicle that didn't sell well. Customers found the car was too small, and outlets to re-charge it were not plenty enough. "The morale of the story is that you are developing the next generation of where you're going to go, you need to meet the regulatory requirements of the industry, be sensitive to the business model—can you make the product for less than you can sell it for—but most importantly you need to build a product that meets customer requirements. You cannot assume that people are going to buy a product because it meets just one of their requirements."

Dean's Innovative Leader Series

Coming soon...

Dan Hesse, SF '89

Chairman & CEO
Embarq Corporation
Thurs., November 2, 12 p.m.

Anne Mulcahy

Chairman & CEO
Xerox Corporation
Thurs., November 9, 12 p.m.

Peter Wuffli

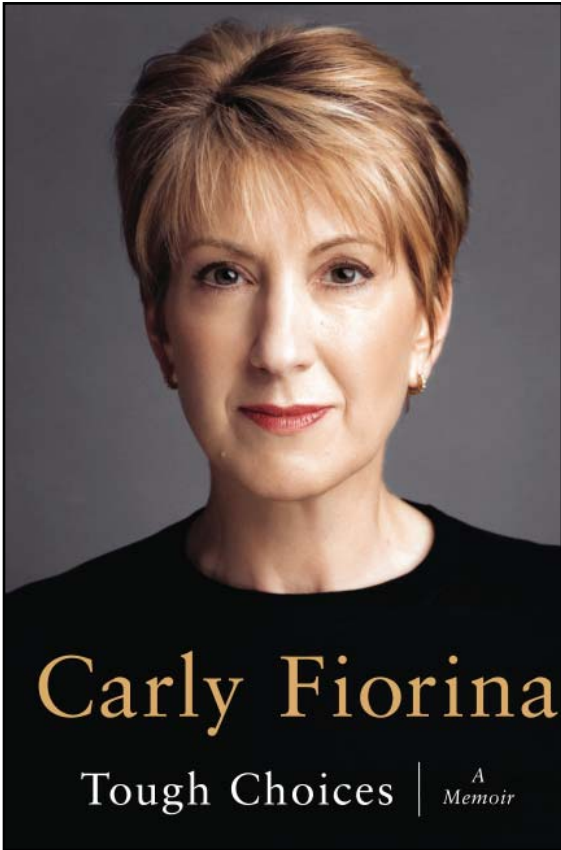
Group Chief Executive Officer
UBS
Tues., April 24, 2007, 12 p.m.

Quote of the Week

"Everything I did in my life that was worthwhile, I caught hell for."

-Earl Warren

Former HP Chairman & CEO Carly Fiorina, SF '89, to Speak at MIT Sloan this Week



MIT Sloan welcomes Carly Fiorina, Sloan Fellow '89, to the MIT Sloan campus as the next speaker in the Dean's Innovative Leader Series. Carly Fiorina was president and CEO of Hewlett-Packard from 1999 to 2005, and chairman from 2000 to 2005. Fiorina successfully led HP's controversial merger with Compaq Computer Corp.

Before joining HP, she spent nearly 20 years at AT&T and Lucent Technologies, where she held a number of senior leadership positions and directed Lucent's initial public offering and subsequent spin-off from AT&T. Fiorina developed broad operational experience, with responsibilities in engineering, manufacturing, finance, IT and network operations, product development, strategic planning, sales and marketing and business development.

Fiorina has previously served on the boards of Cisco Systems, Kellogg Company, and Merck & Company. She currently serves on the boards of

CyberTrust (specializing in cybersecurity), Revolution Healthcare Group, MIT Corporation Board of Trustees, and Taiwan Semiconductor Manufacturing Company (TSMC).

She has a bachelor's degree in medieval history and philosophy from Stanford University, an MBA from the University of Maryland, and a S.M. degree from the MIT Sloan School of Management.

She and her husband currently divide their time between Silicon Valley and Washington, D.C. They have two daughters and two grandchildren.

Fiorina has been highlighted as one of the world's most admired and powerful business leaders by many publications including *Forbes*, *Fortune*, *Financial Times* and *The Wall Street Journal*, and she chronicles her experiences in her memoir, *Tough Choices*. The book shows what it's really like to lead a major corporation in a time of great change while trying to stay true to your values.

This talk will be held Wednesday, October 18 at 12:00 p.m. in Wong Auditorium. A light lunch will be available beginning at 11:30 a.m. and, students are encouraged to arrive early if possible so that the talk may start promptly at 12:00 p.m. Fiorina's new book *Tough Choices* will be available for sale and the event will be followed by a book signing with Ms. Fiorina.

Overseer of the SDM Certificate Program

By Amy MacMillan

David Erickson became director of the System Design and Management (SDM) Certificate Program on July 1. A class of 22 students completed the program in September and a new class of 18 students started in July. Erickson, a Navy veteran, worked for United Technologies Corporation from 1997 to 2002. He also served as principal Systems Engineer for the Charles Stark Draper Laboratory in Cambridge, and Program Manager at GE in Fitchburg, Mass. Today, he is a California-based independent consultant who provides expertise in program management and systems engineering. He received his S.M. in Mechanical Engineering and Engineer's Degree in Ocean Engineering from MIT in 1978. He received an MBA from the Johnson School at Cornell University in 2003.

What is the SDM Certificate Program?

The Certificate Program was created to help SDM partner companies increase the transformation speed to a systems culture – it is almost like an abbreviated SDM curriculum. Students from SDM companies engage in three core and foundation subjects (system architecture, systems engineering, and product design and development) in a distance learning format, plus two weeks of on-campus seminars on related topics from the SDM Master's Degree curriculum. They participate in the same classes as the students in the degree program (and receive MIT credit for those courses).

When did systems engineering become popular? Why is it so important?

Probably within the last 10 years, systems engineering has started coming into its own in the commercial sector after developing in complex space, defense and aerospace programs. Systems engineering is important and necessary to focus on interfaces and provide the data for decisions that have to be made to design and build better products and systems. Things today are becoming more complex and engineers need a better understanding of how to develop products faster using a disciplined systems engineering approach.

Participants in the certificate program get an in-depth understanding of what systems engineering is. Students' careers benefit by expanding their expertise in systems engineering, product development, program management, and business understanding. Typically some students have had some experience with systems engineering, but not a lot because many have come from more rigid engineering single discipline backgrounds. It's enlightening to see how the program can reshape their thinking.

What is special about the SDM Certificate Program?

The Certificate Program is a one-year program modeled after the SDM master's in engineering and management. To a large extent, they are integrated because, as mentioned previously, students from both attend SDM core classes together. This integrated approach is very effective and unique from most other universities. And, you'll also see that some of the certificate students migrate into the master's program. They recognize the knowledge and value they are realizing from the certificate program and decide the SDM master's program is an excellent career development choice. Students will get an in-depth understanding of what systems engineering is. The knowledge they gain can be applied directly and immediately to challenges in product development projects at their companies.

What's the biggest challenge in running the program?

Helping the students to think outside the box. MIT is unique. I've attended three universities, but MIT is the only one where you truly are challenged to think creatively in new ways. I

Continued on page 7

Continued from page 6

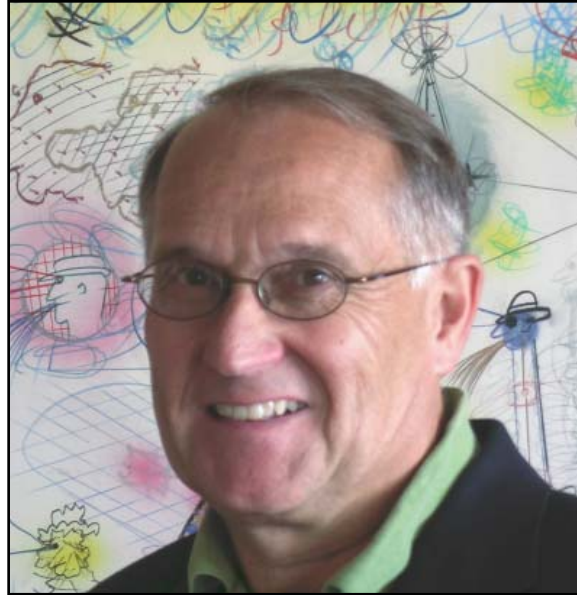
really enjoy being with students, mentoring and guiding them through the program. I am also pleased to be back at MIT helping with a program which lets me use my education and career experience.

What is the ‘Capstone Project’ that Certificate students must complete?

The Capstone is a year-long comprehensive project in which students apply systems engineering to address a problem or initiative within the student’s business unit and company. Projects can be done by individuals or teams, and they can also extend across companies.

Can you provide an example of a ‘Capstone Project’?

Yes. For example, United Technologies recently acquired a company that doesn’t have a formally documented product development process. The Capstone Project selected by the team is to develop a baseline product development process for the business. Another team at Sikorsky Helicopter selected a wireless communications project for control and communications signals onboard the helicopter. The projects run the gamut of topics, and will provide a plan from conception through implementation. My role is to advise and mentor the students as they do their Capstone Projects.



David Erickson, Director of the SDM Certificate Program.

Where do you see for the future of the SDM Certificate Program?

I see the Certificate Program expanding in the future with an increased number of students and participation with more companies. The Certificate Program will continue to successfully complement the SDM Master’s Program for many companies, by enabling many more employees to benefit from this fantastic career development experience.



Twenty-two members of the SDM Graduate Certificate Program were honored in a ceremony at the Museum of Science on Saturday, September 30. Director Pat Hale presented them with Certificates in Systems Engineering and praised them for their hard work and willingness to impact their work processes and environments with the new information. He and Helen Trimble, Learning Director of the program, recognized the families and the sacrifices that they, too, have made during this past year.

How to handle the Media as a CEO

Vice Chairman of Advance Magazine group speaks to General Management Club

By Sarah Foote

Promising not to make any jokes about the Boston Red Sox, Steve Florio, Vice Chairman and former President and CEO of Conde Nast, gave a talk entitled “The CEO and the Media” to MIT Sloan’s General Management club recently.

Florio, originally from Queens, N.Y., has worked in magazine publishing since he began his career. In 1985, he was appointed

President of *The New Yorker Magazine, Inc.* When the company was purchased by Advance Publications, he was later made Chief Executive Officer. During Florio’s tenure at *The New Yorker*, the paid circulation of the magazine increased 60 percent. Florio oversaw all of Conde Nast’s magazines, which include *Vogue, Glamour, Self, GQ, Vanity Fair, Gourmet, Bride’s, Modern Bride, Allure, House & Garden, Wired,* and *Lucky* to name just a few.

During his talk, Florio advised students that CEOs often think that if they speak simply and honestly to the news media that they will be treated fairly and with respect. He quickly pointed out that from experience he knows this is not necessarily the case. “I loved being CEO of a \$3 billion company. It was great fun. What I found was that every single thing I did at the while

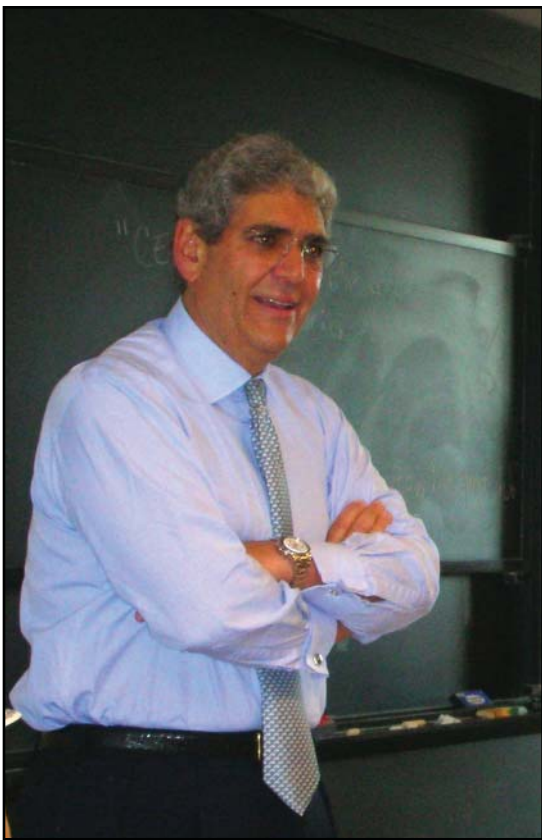
at *The New Yorker* was news. When I added a Table of Contents page, it made the front page (below the fold) of the *New York Times*. The same thing happened when we moved offices or changed Editors,” said Florio, who added that the coverage was always negative.

Due to his experiences early on in his career at *The New Yorker*, Florio learned how the rules of engagement with the media were evolving. “There is no such thing as being off the record. Be careful when you are a CEO. Invest in media training if you can. Simply your messages to message points,” Florio advised.

Florio gave examples of CEOs who had made headline news recently, both good and bad, including Carly Fiorina, formerly of Hewlett-Packard, Martha Stewart, the late Ken Lay of Enron, and former Tyco CEO Dennis Kozlowski. Noting that main focus of the press was to sell as much advertising space as possible, Florio said that was one of the reasons the press focused on the negative. Florio said it is just good business for newspapers to run stories that generate a buzz, adding that the best stories are simple, have a plot with characters and drama, and have an emotional appeal similar to a great opera. “This why stories such as Tyco’s former CEO are so compelling, since it has echoes of Midas, the story of a powerful man so greedy he lost everything. Especially when Kozlowski allegedly purchased a \$6,000 shower curtain and a \$2,000 umbrella stand,” he said, adding that the press did do a great job of making the confusing Enron case a simple story.

Noting that Martha Stewart was a personal friend, Florio said that she was one CEO who had been in the press a lot over the last few years who handled things well. “Her name had become one of the country’s most valuable brands. In the state of a year, she went from Ms. Perfect to Ms. Mud. It’s all in the past now, and one of the reasons it’s over is because of brilliant media management,” said Florio. Adding, “Her stock has shot up — in part because her new CEO understands how to use print and electronic media. She’s done a very good job for Martha.”

Florio also cautioned students that with today’s electronic media, anything they say to the press could be on the internet within 15 minutes or less. “Perception has become important, maybe just as important as substance. You learn to simplify your message. With complicated issues in



Steve Florio

Continued on page 9

Continued from page 8

business, you're almost forced to make them black and white statements," he said.

To end on an upbeat point, Florio did say that being a CEO was a lot of fun, but added that his generation learned the hard way how to deal with the press, and that he hoped he that left MIT Sloan students with healthy skepticism when reading the business news. "I am optimistic [about the future of the press] because you're learning skills here at MIT Sloan that you will need to run or start a business. One of the skills you will have to develop is how to work with the media in a world that wants more and more intellectual property to work with. There are so many different buckets that have to be filled. If you understand that, you'll be fine," Florio said.

The Second Annual MIT Sloan Investment Management Conference

Sponsored by MIT Sloan Investment Management Club

The conference aims to provide a forum for exchange of views on investment processes and a discussion of key issues facing various asset classes. From amongst about 20 industry professionals, the conference will feature keynote presentations and panel discussions.

The Investment Management Club is excited about the speaker lineup from the following industry veterans.

Peter Lynch, Vice Chairman of Fidelity Investments (Keynote)
Thomas Faust, Chief Investment Officer & Future CEO of Eaton Vance (Lunch Speaker)
Jeffrey Shames, Former CEO, Massachusetts Financial Services
Bill Elcock, CEO, Batterymarch Financial Management

The Investment Management Club officers are making a concerted effort to reach out to MIT and MIT Sloan Boston Investment Professionals.

Time: Saturday, October 21, 8:00 a.m – 5:00 p.m.
Place: E51-325 & 335
Price: \$20 for MIT Student, \$15 for Investment Management Members
Detailed information: www.mitsloaninvestmentconference.com
Sponsoring organization: MIT Sloan Investment Management Club
Contact: imofficers@sloan.mit.edu

Powering the Planet; On the Global Energy Future

Energy is the greatest challenge in our future. Rising living standards of a growing world population will increase global energy consumption dramatically over the next half century. The challenge for science, and particularly for the discipline of chemistry, is to meet this energy need in a secure, sustainable, and environmentally responsible way. This essay will frame the magnitude of the problem, show the insufficiency of conventional energy sources to meet these needs, and pose an alternative solution.

This talk will be held Tuesday, October 17, from 5:30–9:00 p.m., in the MIT Faculty Club. Open to: the general public and cost varies. To purchase tickets visit <http://bostonclub.mit.edu/events/061017b.html>. For more information contact Sue Roman bss@mit.edu.



MOVIES

Now Playing on Campus...

“A Scanner Darkly” (2006)

Richard Linklater’s adaptation of Philip K. Dick’s classic novel is a challenging, mind-bending experience that cautions about the dangers of excessive drug use as well as the government’s capacity to abuse and manipulate power. Using the same interpolated rotoscoping technique that Linklater employed in 2001’s *Waking Life*, the film is an animated, trippy descent into one man’s unraveling mind. Set in the not-too-distant future where a new drug, substance D, has created an epidemic, *A Scanner Darkly* charts the mental unraveling of Bob Arctor (Keanu Reeves). Arctor is an undercover cop who has been assigned to track a group of individuals who include the hyper-intense Luckman (Woody Harrelson), the ultra-paranoid Freck (Rory Cochrane), and the beautiful Donna (Winona Ryder). As the film unfolds and Arctor finds himself abusing substance D in order to maintain his façade, his mind begins to spin out of control, to the point where he doesn’t know what’s real and what isn’t. Also featuring Robert Downey Jr.

Playing on October 21 at 7:00 and 10:00 p.m. in 26-100 and again on October 22 at 10:00 p.m. in 26-100.

From the Lecture Series Committee Web site. All movies are just \$3.

AROUND TOWN

Things to Do in
Boston and Cambridge

Harvesting Hope

Java Jive provides an evening of live entertainment as well as cocktails, a light dinner and cash raffle to benefit Dove, Inc., a group that provides support for victims of domestic violence. This event will be October 18, 6:00 p.m. at Granite Links gold Club, 100 Quarry Hills Dr., Quincy. For more information call 617-770-4065.

From the Improper Bostonian